



County of Stanly
1000 North First Street, Suite 10
ALBEMARLE, NORTH CAROLINA 28001

April 21, 2015

Fiscal Research Division
N. C. General Assembly, Suite 619
Legislative Office Bldg
300 N. Salisbury Street
Raleigh, North Carolina 27603-5925

Re: Stanly County – New Cosmetology Facility for Stanly Community College

Dear Fiscal Research Division Staff;

Please allow this correspondence to serve as notice of Stanly County's proposed plans to finance a new 12,000 square foot cosmetology facility that will be leased to Stanly Community College (SCC) for its use. The County plans to enter into a design-build, not to exceed cost contract with a general contractor to construct the facility. The County will finance a total of \$1,982,000 over a twenty-five (25) year term at an interest rate of 2.31% to construct the facility, and \$250,000 over a ten (10) year term at an interest rate of 2.11% for the associated equipment.

Once the facility is complete, the County will lease the facility to SCC over a twenty-five (25) year term under a triple net lease arrangement. SCC's annual lease payment will be sufficient to cover one hundred (100) percent of the annual debt service incurred to construct the facility and purchase the associated equipment. As such, no additional General Fund revenue will be required to construct or maintain the facility.

If you have any questions or would like additional information please let me know. Thank you for your time and kind consideration of this important educational project in Stanly County.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. M. Lucas", is positioned above the printed name of the County Manager.

Andrew M. Lucas
County Manager

Cc: Stanly County Board of Commissioners

SanfordHolshouser

209 Lloyd Street, Suite 350 | Carrboro, NC 27510

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April 17, 2015

Joint Legislative Committee on Local Government
Attention: Committee Chairs, Committee Ass't
North Carolina General Assembly
16 West Jones St.
Raleigh, NC 27601

Fiscal Research Division
Attention: Director
North Carolina General Assembly
300 North Salisbury St., Suite 610
Raleigh, NC 27603

Notice to the Joint Legislative Committee on Local Government Concerning Proposed Financing by the Town of Chapel Hill

To the Committee:

As counsel to the Town of Chapel Hill, North Carolina, and as required under N.C. Gen. Stat. Section 120-157.2, I am providing this notice of a proposed local government capital project that requires approval of the North Carolina Local Government Commission and requires debt to be issued in an amount exceeding \$1,000,000. Here is information about the proposed financing –

Projects and amounts – See attachment A for a description of the projects to be financed, and the estimated amounts for financing. The Town expects that the amounts borrowed will pay substantially all the costs of the projects, although the Town may supplement borrowed money with other Town funds on hand (especially in the case of energy efficiency projects).

LGC meeting for consideration – June 2

Type of financing – installment financing under Section 160A-20

Estimated financing term – The Town expects a financing term of approximately 15 years. Substantially all of the property being financed has an expected useful life equal to or greater than 15 years.

Estimated interest rate – Under current market conditions, the Town expects a true interest cost of the financing of approximately 3.75%.

Sanford Holshouser LLP

April 17, 2015

page 2

Expected source of repayment – general fund revenues

Please let me know if you have additional questions or comments for me about this proposed financing.

Very truly yours,

A handwritten signature in black ink that reads "Bob Jessup". The signature is written in a cursive, flowing style.

Robert M. Jessup Jr.

cc: Greg C. Gaskins, Secretary of the Local Government Commission
c/o Joe Futima
Kenneth C. Pennoyer, Town of Chapel Hill finance officer
Ralph D. Karpinos, Town of Chapel Hill attorney
Davenport & Company LLC
Mark Bondo, legislative staff [mark.bondo@ncleg.net]
(each by electronic mail)

Sanford Holshouser LLP

April 17, 2015

page 3

Attachment A – Projects and Amounts

Project	Amount (\$)
Acquisition of self-contained breathing apparatus for fire fighting	500,000
Energy efficiency projects for various Town facilities	530,000
Town Hall generator	650,000
Town Hall air conditioning	290,000
New roofs for Town's Hargraves community center and related Northside gym	290,000
TOTAL	2,260,000

The Town may use additional financing proceeds to pay financing costs.